March 17, 2009

AGENDA ITEM 4a

TO: MEMBERS OF THE HEALTH BENEFITS COMMITTEE

I. SUBJECT: 2009-10 Proposed Federal Health Policy Legislative

Priorities

II. PROGRAM: Legislation

III. RECOMMENDATION: Staff recommends that the Board:

1. Adopt the attached federal health policy priorities

for 2009-10.

2. Direct staff to monitor federal proposals based on these priorities, and to seek opportunities to

advance the identified goals.

IV. ANALYSIS:

Attachment 1 presents the federal health-policy priorities recommended by staff for the 111th Congress. Adoption of these priorities will provide direction both for the Office of Governmental Affairs and for our federal legislative representative, so they can identify and focus efforts on issues with the greatest impact on the CalPERS Health Benefits Program's strategic direction.

The Board previously adopted federal health policy priorities relative to the 110th Congress. These priorities were valuable guides for staff activities on federal legislative issues. The recommended priorities in Attachment 1 reflect last year's priorities, as well as being in line with the principles adopted by the Public Sector HealthCare Roundtable, which are provided in Attachment 2. This year's recommendations also encompass recent Federal legislative action.

Background

At the January 2009 Off-Site meeting, Jennings Policy Strategies, Inc., identified opportunities where CalPERS can be more visible and effective concerning the 2009-10 federal, healthcare environment. These opportunities include advocating and showing expertise on prudent purchasing policies impacting:

- Health IT, E-prescribing, Quality, Accountability, Infrastructure, Information, and Incentives
- Management of chronic illness
- Benefit design to avoid under/over-utilization

- Drug management: bio-generics; formularies; etc.
- Fraud, waste and abuse

These opportunities parallel a number of recommended 2009-10 federal legislative priorities in Attachment 1. Staff recommends that the Board adopt the attached federal health policy priorities and direct staff to prioritize federal legislative activities accordingly.

V. STRATEGIC PLAN:

This item supports the CalPERS Strategic Plan Goal I: Exercise global leadership to ensure the sustainability of CalPERS pension and health benefit system.

VI. RESULTS/COST:

The adoption of federal health priorities will provide direction to the Office of Governmental Affairs and to its federal legislative representative, so they can identify and focus their efforts on issues having the greatest impact on the CalPERS Health Benefits Program's strategic direction.

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Attachments